

MIAMI INTERNATIONAL AIRPORT

Procurement, Transparency, and Accountability



Sherrill F. Norman, CPA
Auditor General

**Miami-Dade County Mayor, Board of County Commissioners, and
Miami-Dade Aviation Department Chief Executive Officer**

During the period October 2022 through January 2024, Daniella Levine Cava served as the Miami-Dade County Mayor, Ralph Cutié served as the Miami-Dade Aviation Department Chief Executive Officer, and the following individuals served on the Miami-Dade Board of County Commissioners:

Oliver G. Gilbert, III, Chairman
Anthony Rodriguez, Vice Chairman
Marleine Bastien from 11-8-22
Micky Steinberg from 11-8-22
Kevin M. Cabrera from 11-8-22
Roberto J. Gonzalez from 11-23-22^a
Keon Hardemon
Eileen Higgins
Raquel A. Regalado
Danielle Cohen Higgins
Kionne L. McGhee
Juan Carlos Bermudez
René Garcia
Jean Monestime to 11-7-2022
Sally A. Heyman to 11-7-2022
Rebeca Sosa to 11-7-2022

^a Commissioner position vacant at the beginning of the period through 11-22-22.

The team leader was Javier Alfonso and the audit was supervised by Ramon L. Bover, CPA.

Please address inquiries regarding this report to Derek Noonan, CPA, Audit Manager, by e-mail at dereknolan@aud.state.fl.us or by telephone at (850) 412-2864.

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MIAMI INTERNATIONAL AIRPORT

PROCUREMENT, TRANSPARENCY, AND ACCOUNTABILITY

SUMMARY

Pursuant to Section 11.45(2)(m), Florida Statutes,¹ this operational audit of the Miami-Dade Board of County Commissioners' (BCC) administration of the Miami International Airport (Airport) included an assessment of the Airport's compliance with Section 332.0075, Florida Statutes; Chapter 287, Florida Statutes; and the public records and public meeting laws of Florida. Our audit's assessment of such compliance disclosed the following:

Finding 1: Contrary to State law, the BCC did not always promptly post BCC meeting minutes, Airport budgets, and commodities or contractual services contracts exceeding \$325,000 to the Airport's Web site.

Finding 2: The BCC should enhance its policies and procedures to ensure that the 14 elected officials annually receive the ethics training required by State law.

Finding 3: The BCC had not established policies and procedures to ensure that purchasing agents file the statements of financial interests required by State law.

BACKGROUND

The Miami International Airport (Airport) was founded in 1928 and is located on 3,230 acres of land near downtown Miami.

During the fiscal year ended September 30, 2023, the Airport served 51.5 million passengers and reported total revenues of \$1.2 billion and total expenses of \$1.1 billion. In addition, according to the Federal Aviation Administration, the Airport ranked 9th among United States airports in enplanements for the 2023 calendar year.² As of March 2024, the Airport employed 1,337 individuals.

The Mayor and Miami-Dade Board of County Commissioners (BCC), composed of 13 County Commissioners, are elected officials charged with governance over the Airport. The Miami-Dade Aviation Department (MDAD) is responsible for Airport operations pursuant to BCC ordinances³ and employs an Airport Chief Executive Officer, who is responsible for the day-to-day administration, management, and operation of the Airport in accordance with policies established by the Mayor and BCC.

The Mayor and BCC's purposes and powers include:

- Coordination of the planning, financing, construction, and operation of the Airport.

¹ Section 11.45(2)(m), Florida Statutes, requires that, at least once every 7 years, the Auditor General conduct an operational audit of each large-hub commercial service airport. "Large-hub commercial service airport" is defined as a publicly owned airport that has at least 1 percent of the annual passenger boardings in the United States as reported by the Federal Aviation Administration.

² The Federal Aviation Administration extracts passenger (enplanement) data from the Air Carrier Activity System (ACAIS), a database that contains passenger boarding data.

³ Miami-Dade County Ordinance No. 73-8, adopted February 6, 1973, established the MDAD to be responsible for the administration of Airport operations.

- Promotion of safe and efficient air commerce.
- Correlation of Airport projects with other aviation projects in the region, State, and nation.
- Development of public airports to support and enhance economic development in Miami-Dade County, Florida.

This operational audit focused on selected Airport processes and administrative activities, specifically, the Airport's procurement, transparency, and accountability practices.

FINDINGS AND RECOMMENDATIONS

Finding 1: Transparency

State law⁴ requires each governing body of a commercial service airport to establish and maintain a Web site to post information relating to the operation of the airport, including but not limited to:

- The official minutes of each meeting of the governing body, which shall be posted within 7 business days after the date of the meeting in which the minutes were approved.
- The approved budget for the commercial service airport for the current fiscal year, which shall be posted within 7 business days after the date of adoption.
- Any contract or contract amendment for the purchase of commodities or contractual services executed by or on behalf of the commercial service airport in excess of the threshold amount provided in State law,⁵ which shall be posted no later than 7 business days after the commercial service airport executes the contract or contract amendment.

Our review of the Airport Web site and related BCC and Airport records in March 2024 disclosed the following:

- The Airport Web site includes a link to the BCC Web site, which includes the official meeting minutes of the BCC. Our review disclosed that the minutes for 3 of the 44 BCC meetings held during the period October 2022 through January 2024 were posted 31, 32, and 35 business days after the BCC approved the minutes, or 24, 25, and 28 days late, respectively. In response to our inquiries, BCC personnel indicated that the BCC ordinances and policies and procedures did not establish a specific timeframe for posting meeting minutes and that, subsequent to our inquiries, procedures were updated and implemented to comply with State law.
- The 2023-24 fiscal year Airport budget was adopted by the BCC on September 21, 2023, and posted to the Airport's Web site on October 23, 2023, 22 business days after the date of adoption, or 15 days late. Airport personnel indicated that, although the adopted budget was sent to the Information Technology Department on September 28, 2023, for posting on the Web site, due to an oversight, the budget was not posted timely.
- The Airport Web site provides a link to the BCC Web site where contracts executed by or on behalf of the Airport for the purchase of commodities or contractual services exceeding \$325,000 are posted. During the period October 2022 through January 2024, the Airport had 112 active contracts exceeding \$325,000 and totaling \$1.43 billion. We reviewed the BCC Web site to determine whether 43 selected contracts totaling \$755.4 million were timely posted. Our review disclosed that 22 of the contracts totaling \$560.9 million had not been posted to the BCC Web

⁴ Section 332.0075(2), Florida Statutes.

⁵ Section 332.0075(1)(f), Florida Statutes, specifies that the threshold amount is for category five as provided in Section 287.017, Florida Statutes. During the audit period, the category five threshold was \$325,000.

site. According to Airport personnel, they were not aware that the contracts had not been posted to the BCC Web site. Subsequent to our inquiries, BCC personnel posted the 22 contracts to the BCC Web site in April 2024, 30 to 1,002 days, or an average of 310 days, after the contracts were executed.

The untimely postings to the Airport and BCC Web sites constitutes noncompliance with State law and reduces the transparency and accountability of Airport operations.

Recommendation: The BCC and the Airport should establish policies and procedures to ensure that all meeting minutes, the adopted budget, and the applicable contracts and contract amendments are timely posted to the Airport or BCC Web sites, as applicable. Such policies and procedures should establish responsibility for timely posting the information to the Airport or BCC Web sites to one or more specified individuals. We also recommend that Airport personnel verify that all active contracts executed by or on behalf of the Airport for the purchase of commodities or contractual services exceeding \$325,000 are posted as required by State law.

Finding 2: Ethics Training

State law⁶ requires that beginning January 1, 2021, each member of a governing body of the commercial service airport must complete 4 hours of ethics training each calendar year. The training must address, at a minimum, Section 8, Article II of the State Constitution; the Code of Ethics for Public Officers and Employees; and the public records and public meetings laws of the State of Florida. Similarly, BCC ordinances⁷ require each elected official to complete a 2-hour ethics course offered by the Miami-Dade County Commission on Ethics and Public Trust (MDC Commission on Ethics) and submit a certificate of completion to the Clerk of the Board.

According to MDC Commission on Ethics records, the 14 elected officials completed the MDC Commission on Ethics' course. However, our review of the ethics course conducted by the MDC Commission on Ethics and discussion with County personnel disclosed that the course did not meet all the ethics training requirements in State law. Specifically:

- Although the ethics course addressed the public records and public meetings laws of the State of Florida, the course did not address Section 8, Article II of the State Constitution and the Code of Ethics for Public Officers and Employees.
- Rather than the 4 hours of ethics training required by State law, the BCC-required ethics course was only 2 hours in length.
- Rather than each calendar year, the BCC-required ethics course was to be completed every 2 years.

In addition, although required every 2 years, we noted that 6 of the 14 elected officials had most recently completed the MDC Commission on Ethics' course during the 2-year period May 2022 through April 2024.

Our audit procedures also disclosed that 1 elected official had completed ethics training offered by an external course provider in December 2023. That training met the requirements in State law.

⁶ Sections 332.0075(4)(b) and 112.3142(2)(b), Florida Statutes.

⁷ Section 2-11.1(bb), Miami-Dade County Code of Ordinances.

In response to our inquiries, BCC personnel indicated that the MDC County Code of Ethics and BCC ordinances had not been updated to include all the topics required by State law to be addressed or to require the training be 4 hours in length and completed annually. Subsequent to our inquiries, during the period April 2024 through July 2024, 9 more of the elected officials completed the State law-required ethics training through an external course provider.

Absent completion of the required 4 hours of ethics training each calendar year, the BCC cannot demonstrate compliance with State law and members of the governing body of the Airport may not fully understand their legal obligations and the implications of their decisions.

Recommendation: BCC ordinances should be updated to require the Mayor and Commissioners to complete ethics training annually. In addition, the BCC should request that the MDC Commission on Ethics update its ethics course to be 4 hours in length and include all required topics enumerated in State law or, alternately, establish procedures to ensure that the elected officials complete the State law required training through an external course provider.

Finding 3: Statements of Financial Interests

State law⁸ requires that local officers, including purchasing agents having the authority to make any purchase exceeding \$35,000 on behalf of the Airport, shall file a statement of financial interests with the supervisor of elections no later than July 1 of each year. Statements of financial interests are required by State law⁹ and are important in that they provide a public record that discloses the financial interests, activities, and associations of purchasing agents, which may identify potential conflicts of interest.

Each year, pursuant to State law,¹⁰ the Florida Commission on Ethics (COE) prepares and provides each supervisor of elections with a list of the names and addresses of purchasing agents required to file statements of financial interests for the previous year. To assist the COE, governmental entities are required to provide the names and addresses of purchasing agents required to file statements of financial interests.

Our examination of Airport records and discussion with Airport personnel disclosed that the Airport had not established policies and procedures that designate the employee responsible for periodically providing to the COE the names and addresses of local officers, including purchasing agents having the authority to make any purchase exceeding \$35,000 on behalf of the Airport, required to file statements of financial interests. In addition, our examination of Airport records identified two purchasing directors and seven purchasing agents with the authority to make purchases exceeding \$35,000 on behalf of the Airport during the period October 2022 through January 2024. We contacted the Miami-Dade County Supervisor of Elections to determine whether the two purchasing directors and seven purchasing agents filed the required statement of financial interests for the 2022 calendar year and found that, although the two purchasing directors had filed the required statements, the seven purchasing agents had not filed the required statements as of June 2024. In response to our inquiries, Airport personnel indicated that

⁸ Section 112.3145(1) and (2), Florida Statutes.

⁹ Section 112.31445, Florida Statutes.

¹⁰ Section 112.3145(8)(a)1., Florida Statutes.

the Airport failed to report the purchasing agents to the COE because they were not aware that purchasing agents were required to file statements of financial interests.

Absent the required statements of financial interests, there is an increased risk that the Airport may be unaware of potential conflicts of interest when entering into contracts and other agreements. Purchasing agents who do not timely file the required statements of financial interests fail to comply with State law and may be subject to fines.

Recommendation: The Airport should establish policies and procedures that designate the employee responsible for periodically providing to the COE the names and addresses of local officers, including purchasing agents having the authority to make purchases exceeding \$35,000 on behalf of the Airport, required to file statements of financial interests. The policies and procedures should also require that the designated employee contact the Miami-Dade Supervisor of Elections to verify that the purchasing agents timely filed the statements as required.

OBJECTIVES, SCOPE, AND METHODOLOGY

Section 11.45(2)(m), Florida Statutes, provides that, every 7 years, the Auditor General shall conduct an operational audit of each large-hub commercial service airport. The audit is to include, at a minimum, an assessment of compliance with State law,¹¹ and compliance with the public records and public meetings laws of Florida. The term “large-hub commercial service airport” means a publicly owned airport that has at least 1 percent of the annual passenger boardings in the United States as reported by the Federal Aviation Administration.

We conducted this operational audit from February 2024 through July 2024 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

This operational audit of the Miami-Dade Board of County Commissioners’ (BCC) administration of the Miami International Airport (Airport) focused on procurement, transparency, and accountability. For the areas addressed by this audit, our objectives were to:

- Evaluate management’s performance in establishing and maintaining internal controls, including controls designed to prevent and detect fraud, waste, and abuse, and in administering assigned responsibilities in accordance with applicable laws, administrative rules, contracts, grant agreements, and other guidelines.
- Examine internal controls designed and placed in operation to promote and encourage the achievement of management’s control objectives in the categories of compliance, economic and efficient operations, the reliability of records and reports, and the safeguarding of assets, and identify weaknesses in those internal controls.
- Determine the extent to which the Airport has complied with Section 332.0075, Florida Statutes and Chapter 287, Florida Statutes.
- Identify statutory and fiscal changes that may be recommended to the Legislature pursuant to Section 11.45(7)(h), Florida Statutes.

¹¹ Section 332.0075, Florida Statutes, and Chapter 287, Florida Statutes.

This audit was designed to identify, for those programs, activities, or functions included within the scope of the audit, weaknesses in management's internal controls; instances of noncompliance with applicable laws, rules, regulations, contracts, grant agreements, and other guidelines; and instances of inefficient or ineffective operational policies, procedures, or practices. The overall objective of this audit was to identify problems so that they may be corrected in such a way as to improve government accountability and efficiency and the stewardship of management. Professional judgment has been used in determining significance and audit risk and in selecting the particular transactions, legal compliance matters, records, and controls considered.

As described in more detail below, for those programs, activities, and functions included within the scope of our audit, our audit work included, but was not limited to, communicating to management and those charged with governance the scope, objectives, timing, overall methodology, and reporting of our audit; obtaining an understanding of the program, activity, or function; identifying and evaluating internal controls significant to our audit objectives; exercising professional judgment in considering significance and audit risk in the design and execution of the research, interviews, tests, analyses, and other procedures included in the audit methodology; obtaining reasonable assurance of the overall sufficiency and appropriateness of the evidence gathered in support of our audit findings and conclusions; and reporting on the results of the audit as required by governing laws and auditing standards.

Our audit included transactions, as well as events and conditions, occurring during the period October 2022 through January 2024, and selected Airport actions taken prior and subsequent thereto. Unless otherwise indicated in this report, these transactions and records were not selected with the intent of projecting the results, although we have presented for perspective, where practicable, information concerning relevant population value or size and quantifications relative to the items selected for examination.

In conducting our audit, we:

- Reviewed applicable laws, rules, BCC and Airport policies and procedures, and other guidelines, and interviewed Airport personnel to obtain an understanding of applicable processes and administrative activities and the related requirements.
- In March 2024, examined the Airport and BCC Web sites to determine whether they contained information required by Section 332.0075, Florida Statutes, including:
 - Properly noticed Board meetings and meeting agendas for the period October 2022 through January 2024.
 - Minutes from the 44 BCC meetings that occurred during the period October 2022 through January 2024 posted within 7 days of approval.
 - Approved Airport budgets for the 2022-23 and 2023-24 fiscal years posted to the Airport Web site within 7 days after the date of adoption.
 - The Airport Master Plan.
 - A link to all required Airport financial and statistical reports on the Federal Aviation Administration Web site.
 - Contracts and contract amendments exceeding \$325,000 posted to the Airport Web site no later than 7 business days after execution. Specifically, from the population of 112 applicable contracts and contract amendments executed during the period October 2022 through

January 2024 and totaling \$1.4 billion we selected 43 contracts and contract amendments totaling \$755.4 million to determine whether the documents were timely posted.

- Annually updated position title, position description, and annual or hourly compensation rates information for the Airport's 1,337 employees.
- Evaluated and determined whether the elected officials and Airport employees received ethics training required by Section 332.0075(4)(a) and (b), Florida Statutes.
- Examined Airport, BCC, and Florida Commission on Ethics records to determine whether Board members and other officials required to complete financial disclosure forms pursuant to Section 112.3145, Florida Statutes, had completed and filed their financial disclosure forms for the 2022 calendar year. We also evaluated whether the reported information identified any business relationships that could represent potential conflicts of interest.
- Compared Airport vendor records to the Department of State's Division of Corporations Web site to identify potential related-party transactions or conflicts of interest.
- Verified that the BCC submitted required Airport-related information to the Florida Department of Transportation pursuant to Section 332.0075(5)(a), Florida Statutes.
- From the population of 112 contracts and contract amendments exceeding \$325,000 and totaling \$1.4 billion during the audit period:
 - Examined Airport records related to 30 selected contracts totaling \$639 million to determine whether the goods and services were competitively selected in accordance with applicable laws, BCC ordinances, policies and procedures, and good business practices and the procurements were properly authorized.
 - Reviewed BCC meeting minutes and agendas for 24 contracts that individually exceeded \$1.5 million and totaled \$635 million, to determine whether the contracts were approved as separate meeting agenda line items in accordance with Section 332.0075(3)(b)2., Florida Statutes, rather than being included in the consent agenda.
- From the population of 40 construction projects with contracts and contract amendments exceeding \$325,000 and totaling \$78.1 million during the audit period, selected 10 projects totaling \$46.7 million and examined related Airport records to determine whether the plans and specifications were properly reviewed and approved, architects and engineers were properly selected, all change orders were approved, appropriate insurance and bonds were furnished, and construction projects were properly inspected.
- Reviewed the Airport's June 2023 \$45 million land purchase, the only land purchase during the audit period, to determine whether the Airport properly acquired the land in accordance with BCC ordinances, policies, and procedures.
- Examined Airport records, including BCC meeting minutes, for the period October 2022 through January 2024, and inquired of Airport personnel, to determine whether any construction or electrical projects with estimated or actual costs exceeding the thresholds specified in Section 255.20, Florida Statutes, were performed using Airport services, employees, and equipment.
- Reviewed Airport records and inquired of Airport personnel to determine whether the Airport made any expenditures or entered into any contracts utilizing the authority granted by a declared state of emergency that has either expired or exceeded 1 year.
- Reviewed the 2021-22 fiscal year and 2022-23 fiscal year Facility Inspection Reports for the Miami-Dade Aviation Department to determine whether the Airport had best practices in place for building, life safety, fire safety, and sanitation standards, as required by Airport debt covenants.

- Communicated on an interim basis with applicable officials to ensure the timely resolution of issues involving controls and noncompliance.
- Performed various other auditing procedures, including analytical procedures, as necessary, to accomplish the objectives of the audit.
- Prepared and submitted for management response the findings and recommendations that are included in this report and which describe the matters requiring corrective actions. Management's response is included in this report under the heading **MANAGEMENT'S RESPONSE**.

AUTHORITY

Pursuant to the provisions of Section 11.45, Florida Statutes, I have directed that this report be prepared to present the results of our operational audit.

A handwritten signature in blue ink that reads "Sherrill F. Norman". The signature is written in a cursive style with a large initial "S".

Sherrill F. Norman, CPA
Auditor General

MANAGEMENT'S RESPONSE



OFFICE OF THE CHAIRMAN
BOARD OF COUNTY COMMISSIONERS
DISTRICT 1

THE HONORABLE

Oliver Gilbert

Sherrill F. Norman, CPA
Auditor General
Claude Denson Pepper Building, Suite G74
111 West Madison Street
Tallahassee, Florida 32399-1450

October 29, 2024

Dear Auditor General Norman,

Thank you for giving me the opportunity to respond on behalf of Miami-Dade County to the Preliminary and Tentative Audit Findings ("Findings") issued by the Auditor General of the State of Florida on September 24, 2024, relating to Miami International Airport.

Enclosed, please find the County's written statement of explanation concerning each of the findings, as well as a description of the corrective actions we have taken and plan to take. The responses to findings 1 and 3 were prepared by Miami International Airport and the response to finding 2 was prepared by my office in conjunction with the County Attorney's Office. The attached enclosure is 6 pages.

Sincerely,

Chairman Oliver G. Gilbert, III
Miami-Dade County Commissioner, District 1

Enclosure

Board of County Commissioners
Miami-Dade County Mayor
Miami-Dade County Chief Operating Officer

Airport Director/CEO
Airport Deputy Director
First Assistant County Attorney

Stephen P. Clark Center
111 NW 1st Street
Suite 220
Miami, FL, 33128

WE ARE
RISING

District 1 Office | 305.474.3011
Downtown Office | 305.375.5694



The following is the County's response to the preliminary and tentative audit findings of the operational audit of Miami International Airport, dated September 24, 2024:

Finding 1: Transparency

Specific responses to sub-bullets 1, 2, and 3 of Finding 1 are included below. However, the Miami-Dade Aviation Department (MDAD) wishes to note generally that notwithstanding any technical violations of Section 332.0075, Florida Statutes, with respect to posting of budgets, minutes and contracts on the appropriate webpage, the public was at all times fully informed of the relevant MDAD actions. In fact, in most cases, information was available to the public substantially earlier than the deadlines provided for in Section 332.075, Florida Statutes, albeit in slightly altered format. To the extent the goal of the Legislature in enacting 332.0075, Florida Statutes, is to ensure that the Miami International Airport operates in a transparent manner, that goal is entirely met notwithstanding any of the issues identified in the audit.

For example, Section 332.0075(2)(b), Florida Statutes, requires official minutes of meetings of the governing body of an airport be posted within seven business days after the date of the meeting in which the minutes were approved.¹ The Board of County Commissioners (BCC) is the governing body of MDAD. The BCC only takes action at duly noticed public meetings pursuant to the requirements of Chapter 125, Florida Statutes. See *also* Section 286.011, Florida Statutes.² Printed agendas for all BCC meetings are publicly available seven days in advance of the meeting; these agendas are available online. BCC meetings are live streamed on the internet, and those streams are available for public review upon completion of the meeting.³ All actions the BCC takes regarding Miami International Airport are taken in the "sunshine," meaning in a publicly accessible location after public notice, with minutes taken and with a live record immediately available online. The public is aware in real time of the actions of the BCC, acting as the governing body (as defined by Section 332.0075, Florida Statutes) of Miami International Airport, and has perpetual access not simply to a summation of the actions at the meeting, but to the full meeting itself. The live meeting is in fact a superior record than meeting minutes, allowing the public access to the full debate, inclusive of body language and tone of voice, and this

¹ Specific factual and legal responses to Part 1 of Finding 1 are below.

² <https://www.miamidade.gov/govaction/agendas.asp?Action=Agendas&Oper=DisplayList>

³ <https://www.miamidade.gov/global/webcasting/home.page>

record is provided substantially earlier than is provided for in Section 332.0075, Florida Statutes.

Similarly, the budget for the MDAD is a part of the overall County budget. That budget is promulgated publicly, as required by Chapter 129, Florida Statutes, a process that provides for robust public comment prior to adoption. For example, prior to adoption of the fiscal year 2024-2025 budget, the County held public forums on Thursday, August 22, Friday, August 23, Monday, August 26, Tuesday, August 27, Wednesday, August 28, and Thursday, August 29. The budget—including the budget for MDAD—was available online prior to these meetings and physically available at these meetings. The budget was formally adopted over the course of two separate publicly noticed BCC meetings as provided for by law, on September 5 and September 19th. These meetings featured hundreds of members of the public speaking on matters relating to the County budget. As with any other BCC meeting, these meetings were broadcast and available for viewing and review online immediately upon completion. Any suggestion that budget information is unavailable until it is posted pursuant to Section 332.0075, Florida Statutes, is simply false.

Thus, while MDAD understands its obligation to comply with the strict requirements of Section 332.0075, Florida Statutes, MDAD believes that, in context, any violations related to the posting of minutes, budgets, and contracts are essentially matters of form and not substance. The public can fully inform itself of MDAD's operations notwithstanding any violation. Specific responses to Finding 1 sub-issues are below.

Finding 1: Transparency (First Bullet)

“The official minutes of each meeting of the governing body, which shall be posted within 7 business days after the date of the meeting in which the minutes were approved.”

Airport Response:

The initial memorandum on this topic, dated May 16, 2024, identified three instances where meeting minutes were not timely posted: minutes for the 2-15-23 meeting of the Airport and Economic Development Committee were posted 35 days late, minutes for the 1-12-23 meeting of the Infrastructure, Operations, and Innovation Committee were posted 32 days late, and minutes of the 11-15-22 meeting of the BCC were posted 40 days late.

While these findings are not in the final audit report, MDAD wishes to clarify that it does not believe that Section 332.0075, Florida Statutes, imposes any obligation with respect to the posting of minutes of committees of the BCC. By definition, Section 332.0075(2)(b), Florida Statutes, requires minutes be posted for the “governing body”; the governing body is defined in the statute as “mean[ing] the governing

body of the county.” In this case, that is the full BCC, not a committee of BCC members. No Committee is authorized to take final action on any legislative item, and final approval of any item occurs not at a committee, but at a meeting of the full BCC. *See generally*, Rule 4.01(d) of the Miami-Dade County Board of County Commissioners Rules of Procedure. Indeed, the membership of a committee is less than a quorum of the full BCC, such that action at a committee generally cannot bind the BCC. Accordingly, because a BCC committee is not the governing body of the County, Section 332.0075, Florida Statutes, imposes no obligations with respect to the posting of BCC committee minutes. Nevertheless, MDAD will work with the independent Clerk of the Board—a separate legal entity—to ensure that committee minutes are expeditiously posted to the website.

With respect to three meetings identified in the final audit report, we note that posting of minutes is controlled by the Miami-Dade County Clerk of the Board/Clerk of Courts. The Clerk is an independent legal entity over which neither MDAD nor the BCC has control. Notwithstanding, as documented in our prior responses, we have discussed this matter with the Clerk and will formalize procedures to ensure compliance going forward.

Finding 1: Transparency (Second Bullet)

“The 2023-2024 fiscal year Airport budget was adopted by the BCC on September 21, 2023, and posted to the Airport’s Web site on October 23, 2023, 22 business days after the date of adoption, or 15 days late. Airport personnel indicated that, although the adopted budget was sent to the Information Technology Department on September 28, 2023, for posting to the Web site, due to an oversight, the budget was not posted timely.”

Airport Response:

The website administrator and supervisor have been made aware of the compliance requirements regarding posting of the operating budget, which provides assurance this request will be addressed with priority, prospectively. Additionally, MDAD’s Finance Division, which develops and monitors the budget, has developed new procedures for the timely posting of the operating budget to the MDAD website that ensures a consistent communication process. The effectiveness of these actions is evident with the timely posting of the operating budget for fiscal year 2024-2025, which was completed within 4 days of budget approval.

Finding 1: Transparency (Third Bullet)

“The Airport Web site provides a link to the BCC Web site where contracts executed by or on behalf of the Airport for the purchase of commodities or

contractual services exceeding \$325,000 are posted. During the period of October 2023 through January 2024, the Airport had 112 active contracts exceeding \$325,000 and totaling \$1.43 billion. We reviewed the BCC Web site to determine whether 43 selected contracts totaling 755.4 million were timely posted. Our review disclosed that 22 of the contracts totaling \$560.9 million had not been posted to the BCC Web site. According to airport personnel, they were not aware that the contracts had not been posted to the BCC Web site. Subsequent to our inquiries, BCC personnel posted the 22 contracts to the BCC Web site in April 2024, 30 to 1,002 days, or an average of 310 days, after the contracts were executed.”

Airport Response:

Department personnel will establish a new process that implements a consistent follow up review of the BCC website for the timely posting of airport related contracts exceeding \$325,000.

Finding 2: Ethics Training

In Finding 2 the Auditor General concludes, among other things, that: 1) Miami-Dade County's Conflict of Interest and Code of Ethics Ordinance ("County Ethics Ordinance") does not incorporate state law regarding ethics training; and (2) that the County should amend its Ethics Ordinance to incorporate the same time-frames (i.e., annual, 4-hour course) required by state law, as well as coverage of the same coursework prescribed for the state course. The County's response regarding this recommendation is as follows:

BCC Response:

On October 16, 2024, the County Commission modified its policy and adopted an ordinance⁴ (the "Ordinance") to require 1) that County Commissioners and the Mayor (collectively "Elected Officials") complete 4 hours of ethics training annually, and 2) that such training include the state-mandated topics, in addition to local requirements. The Miami-Dade County Ethics Commission will be responsible for providing such training.⁵ Having adopted the Ordinance, the BCC has fully implemented this reasonable recommendation regarding Finding 2.

⁴ <https://www.miamidade.gov/govaction/legistarfiles/MinMatters/Y2024/241815min.pdf>

⁵ Although the County decided to make this change as a matter of policy, there was no legal obligation to do so. First, there does not exist, to our knowledge, any statutory or constitutional obligation for the County to adopt the state's ethics training requirement. Second, the County's ethics training requirement is not in conflict with state law. Instead, the County's ethics training is focused on, among other things, the County's Conflict of Interest and Code of Ethics Ordinance and the Miami-Dade County Citizens' Bill of Rights, not the State's ethics code (which is not within the jurisdiction of the County's Ethics Commission). The Miami-Dade County Ethics Ordinance is codified at Section 2-11.1 of the Code of Miami-Dade County, Florida. This Ethics Ordinance reflects the policy decisions made at the local level by the duly elected members of the BCC. Finally, the Ethics Ordinance complements the state's ethics training requirement in that it mandates periodic ethics training regarding the local requirements. Having said this, nothing precluded the Board of County Commissioners from exercising its legislative prerogative and adopting, as it has, the State's ethics training requirements to promote uniformity and efficiency.

Finding 3: Statements of Financial Interests

“State law requires that local officers, including purchasing agents having the authority to make any purchase exceeding \$35,000 on behalf of the Airport, shall file a statement of financial interests with the supervisor of elections no later than July 1 of each year. Statements of financial interests are required by State law and are important in that they provide a public record that discloses the financial interests, activities, and associations of purchasing agents, which may identify potential conflicts of interest.

Each year, pursuant to State law, the Florida Commission on Ethics (COE) prepares and provides each supervisor of elections with a list of names and addresses of purchasing agents required to file statements of financial interests for the previous year. To assist the COE, governmental entities are required to provide the names and addresses of purchasing agents required to file statements of financial interests.

Our examination of Airport records and discussion with Airport personnel disclosed that the Airport had not established policies and procedures that designate the employee responsible for periodically providing to the COE the names and addresses of local officers, including purchasing agents having authority to make any purchase exceeding \$35,000 on behalf of the Airport, required to file statements of financial interests. In addition, our examination of Airport records identified two purchasing directors and seven purchasing agents with the authority to make purchases exceeding \$35,000 on behalf of the Airport during the period October 2022 through January 2024. We contacted the Miami-Dade County Supervisor of Elections to determine whether the two purchasing directors and seven purchasing agents filed the required statement of financial interests for the 2022 calendar year and found that, although the two purchasing directors had filed the required statements, the seven purchasing agents had not filed the required statements as of June 2024. In response to our inquiries, Airport personnel indicated that the Airport failed to report the purchasing agents to the COE because they were not aware that purchasing agents were required to file statements of financial interests.

Absent the required statements of financial interests, there is an increased risk that the Airport may be unaware of potential conflicts of interest when entering into contracts and other agreements. Purchasing agents do not timely file the required statements of financial interests fail to comply with State law and who may be subject to fines.”

Airport Response:

With the assistance of the County Attorney, we have clearly defined the purchasing agent role and are now more able to identify those employees who qualify as purchasing agents with authority in excess of \$35,000 and therefore, are required to file financial disclosures. For the seven purchasing agents identified from the audit, the employee names have been submitted and those employees have filed the required online disclosures with the State.